

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Approval of 2013-2014 Energy Efficiency Programs and Budget (U39M).

Application 12-07-001
(Filed July 2, 2012)

And Related Matters.

Application 12-07-002
Application 12-07-003
Application 12-07-004

DECISION GRANTING COMPENSATION TO THE NATURAL RESOURCES DEFENSE COUNCIL FOR SUBSTANTIAL CONTRIBUTION TO DECISION 12-11-015

Claimant: Natural Resources Defense Council (NRDC)	For contribution to Decision (D.) 12-11-015
Claimed (\$): 20,080.00	Awarded (\$): 20,080.00
Assigned Commissioner: Peevey	Assigned ALJ: Edmister

PART I: PROCEDURAL ISSUES

- A. Brief Description of Decision:** This decision approves a portfolio of energy efficiency programs and budgets to be implemented in 2013 and 2014 by Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Gas Company, and Southern California Edison Company (collectively, the utilities), as well as two regional energy networks (RENs) (San Francisco Bay Area Regional Energy Network and Southern California Regional Energy Network) and one community choice aggregator (CCA) (Marin Energy Authority (MEA)).

B. Claimant must satisfy intervenor compensation requirements set forth in Public Utilities Code §§ 1801-1812:

	Claimant	CPUC Verified
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference:	08/16/12	Verified
2. Other Specified Date for NOI:	N/A	N/A
3. Date NOI Filed:	09/17/12	Verified
4. Was the NOI timely filed?		Yes
Showing of customer or customer-related status (§ 1802(b)):		
5. Based on ALJ ruling issued in proceeding number:	Rulemaking (R.) 09-08-009	Verified
6. Date of ALJ ruling:	January 28, 2010	Verified
7. Based on another CPUC determination (specify):		
8. Has the Claimant demonstrated customer or customer-related status?		Yes
Showing of “significant financial hardship” (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	Application (A.) 11-05-017 et al.	Verified
10. Date of ALJ ruling:	October 28, 2011 *NRDC requested an updated ruling of financial hardship in our R.12-06-013 NOI*	Verified
11. Based on another CPUC determination (specify):	n/a	N/A
12. Has the Claimant demonstrated significant financial hardship?		Yes
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.12-11-015	Verified
14. Date of Issuance of Final Order or Decision:	11/15/12	Verified
15. File date of compensation request:	01/14/13	Verified
16. Was the request for compensation timely?		Yes

PART II: SUBSTANTIAL CONTRIBUTION**A. Claimant's contribution to the final decision (see § 1802(i), § 1803(a) & D.98-04-059).**

Contribution	Specific References to Claimant's Presentations and to Decision	Showing Accepted by CPUC
1. Regional Energy Networks (RENs) and Marin Energy Authority (MEA) are required to comply with the same Policy Rules as the Utilities. (D)	<ul style="list-style-type: none"> • D.12-11-015 at 14, 15, 46, OP 2 • Even though the Decision did not acknowledge NRDC's contribution, we have been advocating that the RENs and MEA be subject to the same rules in this proceeding as well as in R.09-11-014. • See: <i>Reply Comments of the NRDC Regarding the Utility and REN Applications for 2013-2014 Efficiency Programs and Budgets</i> (8/13/12) at 6 • See: <i>Reply Comments of the NRDC on the Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge</i> (9/21/12) at 2 • See: <i>Reply Comments of the NRDC on the Proposed Decision Approving the 2013-2014 Energy Efficiency Portfolio Applications</i> (11/5/12) at 4 	Accepted.
2. Approval of RENs only for programs that are not duplicative or offer a different delivery channel. (D)	<ul style="list-style-type: none"> • D.12-11-015 at 17 as well as references throughout the REN section to minimize duplication (e.g., at 29 and 42) • See: <i>Response of the NRDC to the Utility Applications for 2013-2014 Efficiency Programs and Budgets</i> (8/3/12) at 14-17 • See: <i>Comments of the NRDC</i> 	Accepted.

	<i>on the Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge (9/14/12) at 8</i>	
3. The utilities are permitted to hire a market transformation consultant and establish collaborative forums. (E)	<ul style="list-style-type: none"> • D.12-11-015 at 23, OP 4 • See: <i>Response of the NRDC to the Utility Applications for 2013-2014 Efficiency Programs and Budgets</i> (8/3/12) at 9 • See: <i>Reply Comments of the NRDC Regarding the Utility and REN Applications for 2013-2014 Efficiency Programs and Budgets</i> (8/13/12) at 2 • See: <i>Comments of the NRDC on the Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge</i> (9/14/12) at 1 • See: <i>Reply Comments of the NRDC on the Proposed Decision Approving the 2013-2014 Energy Efficiency Portfolio Applications</i> (11/5/12) at 3 	Accepted.
4. The utility spillover recommendation, with modification, is approved and the CPUC will provide evaluation funds to further refine the values. (F)	<ul style="list-style-type: none"> • D. 12-11-015 at 54, at 56, OP 37 • See: <i>Response of the NRDC to the Utility Applications for 2013-2014 Efficiency Programs and Budgets</i> (8/3/12) at 10 	Accepted.
5. Incentives for audits are allowed only if efficiency actions are taken. (C)	<ul style="list-style-type: none"> • D.12-05-015 at 71, OP 14 • See: <i>Comments of the NRDC on the Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge</i> (9/14/12) at 9 	Accepted.
6. RENs and Investor-owned Utilities (IOUs)	<ul style="list-style-type: none"> • D.12-11-015 at 66, OP 56 • See: <i>Second Set of Opening</i> 	Accepted.

can offer both financing and incentives to pilot the appropriate balance needed to get customers to take action. (C)	<i>Comments of the NRDC on Administrative Law Judge's Ruling Regarding Energy Efficiency Financing (2/22/12) at 2-3 *note, while these comments were in R.09-11-014, they were used to influence the subsequent ruling in A.12-07-001 et al*</i>	
7. "To code" programs are allowed for hotter climates. (C)	<ul style="list-style-type: none"> • D.12-11-015 at 75, OP 65 • See: <i>Reply Comments of the NRDC Regarding the Utility and REN Applications for 2013-2014 Efficiency Programs and Budgets</i> (8/13/12) at 5 	Accepted.
8. IDEEA 365 third party solicitation is approved and utilities are required to hold a mid-term check-in meeting. (D)	<ul style="list-style-type: none"> • D.12-11-015 at 81, at OP 68 • See: <i>Response of the NRDC to the Utility Applications for 2013-2014 Efficiency Programs and Budgets</i> (8/3/12) at 27 • See: <i>Comments of the NRDC on the Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge</i> (9/14/12) at 3 	Accepted.
9. The final budget was increased to 95% of the utility requested budget in part due to NRDC advocacy. (The proposed decision would have authorized 85% of requested budget). (G)	<ul style="list-style-type: none"> • D.12-11-015, at 103, Ops 40-43 • See: <i>Opening Comments of the NRDC on the Proposed Decision Approving the 2013-2014 Energy Efficiency Portfolio Applications</i> (10/29/12) at 3 • See: <i>Opening Comments of the NRDC on the Proposed Decision Approving the 2013-2014 Energy Efficiency Portfolio Applications</i> (11/05/12) at 1 	Accepted.

B. Duplication of Effort (§§ 1801.3(f) & 1802.5):

	Claimant	CPUC Verified
a. Was the Office of Ratepayer Advocates (ORA)¹ a party to the proceeding?	Yes	Verified
b. Were there other parties to the proceeding with positions similar to yours?	Yes	Verified
c. If so, provide name of other parties: TURN, ORA, California Center for Sustainable Energy, Local Government Sustainable Energy Coalition, IOUs, Efficiency Council, National Association of Energy Service Companies (NAESCO), Global Green, among others. See here for a recent list of parties: http://www.cpuc.ca.gov/service_list/A1207001_80453.htm		Verified
d. Claimant's description of how it coordinated with ORA and other parties to avoid duplication or how claimant's participation supplemented, complemented, or contributed to that of another party: When possible, NRDC worked cooperatively with other parties to either resolve key issues before filing comments or to adjust comments to add complementary or supplemental information. We also worked with other parties when positions aligned. In particular, NRDC worked with NAESCO, ORA, Efficiency Council, LGSEC, and the IOUs before submitting comments to refine recommendations and resolve differences before filing comments. In addition, NRDC worked closely with ORA and the utilities to help craft the alternative proposal for the IOUs that included the provision to hire a market transformation consultant, which was ultimately approved. NRDC also worked closely during the comment period to coordinate related recommendations when feasible. Furthermore, NRDC worked with the utilities, NAESCO, and the Efficiency Council to draft a joint proposal to improve the custom and evaluation procedures. NRDC's offers supplemental as well as complementary participation as we are the main environmentally-focused organization that consistently participates in all aspects of energy efficiency at the Commission (e.g., program planning, policy foundation, procurement planning, etc.). In addition, NRDC is a national organization and brings the expertise of energy efficiency best practices from other states, regions, administrators, implementers, and think tanks to support the strong foundation in California and to improve policies and programs where necessary. NRDC is also uniquely situated to help foster collaboration among parties to resolve outstanding issues and/or develop solutions to present to the Commission.		Verified

¹ ORA was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013), which was approved by the Governor on September 26, 2013.

PART III: REASONABLENESS OF REQUESTED COMPENSATION**A. General Claim of Reasonableness (§§ 1801 & 1806):**

a. Explanation by claimant of how the cost of Claimant's participation bore a reasonable relationship with benefits realized through participation	CPUC Verified
<p>NRDC consistently advocates for policies to reduce the long term societal costs of electric generation. NRDC's continued focus in this and other proceedings is on policies that ensure a reliable, affordable, and environmentally sustainable energy resource portfolio that should have lasting benefits to billpayers. NRDC contributed substantially to the final decision to support expanded efficiency, robust local government and third party programs, and to ensure that policy rules and policies align.</p> <p>If the utilities meet the energy savings goals as adopted by D.12-11-015, we estimate that the savings over the lifetime of the programs are expected to yield more than \$1 billion in net benefits to customers in the form of lower utility bills and avoid the need to build at least 1.5 large power plants. In addition, the energy savings will cut annual greenhouse gas emissions by more than two million tons of carbon dioxide, the equivalent to the carbon pollution from more than 500,000 cars, based on data from the California Air Resources Board. These are important contributions to meeting the state's 2020 greenhouse gas emissions limit required by Assembly Bill 32, the Global Warming Solutions Act of 2006. Moreover, D.12-11-015 notes on at 57 that the peak savings will reach more than 700 MW, which avoids the need for more than one large (500 MW) power plant.</p>	Verified
<p>b. Reasonableness of Hours Claimed.</p> <p>The substantial contributions to Commission policy described above would not have been possible without the contributions from Lara Ettenson and numerous other NRDC staff. However, to submit an extremely conservative claim, NRDC is only claiming Ms. Ettenson's time even though a number of other NRDC staff contributed to various issues raised in A.12-07-001 et al. (e.g., Peter Miller - EM&V, Sierra Martinez - Potential and Goals, Philip Henderson - Financing, Devra Wang - overall advocacy, REN programs, and alignment of policies and rules).</p> <p>In addition, NRDC maintained detailed time records indicating the number of hours that were devoted to proceeding activities, as characterized by topic. All hours represent substantive work related to this proceeding and were not in any way clerical. NRDC also did not request time for discussing improvements to the policy foundation with Energy Division. Due to the highly conservative nature of recording time and omitting substantial time from other NRDC staff, it is reasonable that the full amount of this claim be approved.</p>	Verified
c. Allocation of Hours by Issue: See Attachment A	

PROPOSED DECISION**B. Specific Claim:***

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
Lara Ettenson	2012	124	\$160	Res ALJ-281 D.08-04-010, at 8 Comment 1	\$19,840.00	124	\$160	\$19,840.00
	Subtotal:				\$19,840.00	Subtotal:		\$19,840.00
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
Lara Ettenson	2012	3	\$80	½ Rate D.08-04-010 at 8 Res ALJ – 281 Comment 1	\$240.00	3	\$80	\$240
	Subtotal:				\$240.00	Subtotal:		\$240
COSTS								
#	Item	Detail			Amount	Amount		
	N/A							
Subtotal:					\$0	Subtotal:		\$0
TOTAL REQUEST					\$20,080.00	TOTAL AWARD:		\$20,080.00
<p>*We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Claimant’s records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.</p> <p>**Reasonable claim preparation time typically compensated at ½ of preparer’s normal hourly rate.</p>								

PROPOSED DECISION**a. Attachments Documenting Specific Claim and Comments on Part III:**

Attachment or Comment #	Description/Comment
Attachment A	Issue areas and Staff timesheet
Comment #1	<p><u>2012 Rate</u>: In 2012, Ettenson has 7 years of experience and therefore requests a rate of \$160, which is the lowest of the published range in Res ALJ-281 for experts with 7-12 years of experience. Per D.08-04-010, intervenors can qualify for a rate increase when “moving to a higher experience level: where additional experience since the last authorized rate moved a representative to a higher level of experience.” (D.08-04-010, at 8)</p> <p>Ettenson has a Master’s in Public Administration from Columbia University School of International and Public Affairs and a Bachelor’s degree in Biology and Environmental Studies from Oberlin College. Ettenson leads NRDC’s energy efficiency policy advocacy at the CPUC and routinely testifies in front of the CPUC and CEC Commissioners as well as California Legislators.</p>

b. CPUC Disallowances & Adjustments:

#	Reason
Adoption of Lara Ettenson’s 2012 hourly rate.	After reviewing Ettenson’s credentials, the Commission agrees with NRDC’s request for Ettenson’s 2012 hourly rate. Being an expert with 7-years of experience, the Commission adopts the rate of \$160 per hour for work Ettenson completed in this proceeding for 2012.

PART IV: OPPOSITIONS AND COMMENTS

A. Opposition: Did any party oppose the Claim?	No
B. Comment Period: Was the 30-day comment period waived (<i>see</i> Rule 14.6(2)(6))?	Yes

FINDINGS OF FACT

1. Natural Resources Defense Council made a substantial contribution to Decision (D.)12-11-015.
2. The requested hourly rates for Natural Resources Defense Council's representatives are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$20,080.

CONCLUSION OF LAW

1. The Claim, with any adjustment set forth above, satisfies all requirements of Public Utilities Code §§ 1801-1812.

ORDER

1. Natural Resources Defense Council is awarded \$20,080.
2. Within 30 days of the effective date of this decision, Pacific Gas & Electric Company, San Diego Gas & Electric Company, Southern California Gas Company and Southern California Edison Company shall pay Natural Resources Defense Council their respective shares of the award, based on their California-jurisdictional electric and gas revenues for the 2012 calendar year, to reflect the year in which the proceeding was primarily litigated. Payment of the award shall include compound interest at the rate earned on prime, three-month commercial paper as reported in Federal Reserve Statistical Release H.15, beginning March 30, 2013, the 75th day after the filing of Natural Resources Defense Council's request, and continuing until full payment is made.
3. The comment period for today's decision is waived.
4. This decision is effective today.

Dated _____, at San Francisco, California.

APPENDIX**Compensation Decision Summary Information**

Compensation Decision:		Modifies Decision?	No
Contribution Decision(s):	D1211015		
Proceeding(s):	A1207001 et al.		
Author:	ALJ Todd Edmister		
Payer(s):	Pacific Gas & Electric Company, San Diego Gas & Electric Company, Southern California Gas Company and Southern California Edison Company		

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
Natural Resources Defense Council	1-14-2013	\$20,080.00	\$20,080.00	No	N/A

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Lara	Ettenson	Expert	NRDC	\$160	2012	\$160

(END OF APPENDIX)

